

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-0412A

**VALLEY UTILITIES WATER CO., INC.**  
**6808 N. DYSART ROAD, SUITE 112**  
**GLENDALE, AZ 85307**

**ANNUAL REPORT** RECEIVED  
APR 17 2006  
AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**FOR YEAR ENDING**

12	31	2005
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FOR COMMISSION USE

ANN04	05
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entered  
4-18-06  
RF

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>VALLEY UTILITIES WATER CO., INC.</u>			
<b>Mailing Address</b> <u>6808 N. DYSART ROAD, SUITE 112</u>			
(Street)			
<u>GLENDALE</u>	<u>AZ</u>	<u>85307</u>	
(City)	(State)	(Zip)	
<u>(623) 935-1100</u>	<u>(623) 935-7321</u>	<u>(602) 672-9481</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>Local Office Mailing Address</b> <u>SAME AS ABOVE</u>			
(Street)			
_____			
(City)	(State)	(Zip)	
_____			
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>ROBERT PRINCE</u>			
(Name)		(Title)	
<u>6808 N. DYSART ROAD, SUITE 112</u>	<u>GLENDALE</u>	<u>AZ</u>	<u>85307</u>
(Street)	(City)	(State)	(Zip)
<u>(623) 935-1100</u>	<u>(623) 935-7321</u>	_____	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>SAME AS ABOVE</u>			
(Name)			
_____			
(Street)	(City)	(State)	(Zip)
_____			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** RICHARD L SALLQUIST

(Name)

2525 EAST ARIZONA BILTMORE CIRCLE #117

(Street)

PHOENIX

(City)

AZ

(State)

85016

(Zip)

(602) 224-9222

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

<b>COMPANY NAME</b>
<b>VALLEY UTILITIES WATER CO., INC.</b>

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	44,196		44,196
304	Structures and Improvements	18,907	12,231	6,676
307	Wells and Springs	994,126	267,560	726,566
311	Pumping Equipment	259,308	168,910	90,398
320	Water Treatment Equipment	17,995	1,349	16,646
330	Distribution Reservoirs and Standpipes	289,658	191,246	98,412
331	Transmission and Distribution Mains	2,546,948	1,119,287	1,427,661
333	Services	99,474	45,754	53,720
334	Meters and Meter Installations	350,831	95,154	255,677
335	Hydrants	147,204	15,627	131,577
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1,117	29	1,088
340	Office Furniture and Equipment	52,965	24,068	28,897
341	Transportation Equipment	53,051	11,959	41,092
343	Tools, Shop and Garage Equipment	22,538	12,609	9,929
344	Laboratory Equipment			
345	Power Operated Equipment	5,930	5,930	0
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>4,904,248</b>	<b>1,971,713</b>	<b>2,932,535</b>

This amount goes on the Balance Sheet Acct. No. 108

<b>COMPANY NAME</b> <b>VALLEY UTILITIES WATER CO., INC.</b>
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**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	44,196		
304	Structures and Improvements	18,907	3.33%	878
307	Wells and Springs	994,126	3.33%	47,047
311	Pumping Equipment	259,308	12.50%	15,049
320	Water Treatment Equipment	17,995	3.33%	704
330	Distribution Reservoirs and Standpipes	289,658	2.22%	13,474
331	Transmission and Distribution Mains	2,546,948	2.00%	110,879
333	Services	99,474	3.33%	3,766
334	Meters and Meter Installations	350,831	8.33%	18,478
335	Hydrants	147,204	2.00%	5,256
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1,117	6.67%	29
340	Office Furniture and Equipment	52,965	6.67%	2,468
341	Transportation Equipment	53,051	20.00%	3,627
343	Tools, Shop and Garage Equipment	22,538	5.00%	1,095
344	Laboratory Equipment			
345	Power Operated Equipment	5,930	5.00%	0
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTALS	4,904,248		222,750
	Less: Amortization of Contributions			31,656
	TOTALS	4,904,248		191,094

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

<b>COMPANY NAME</b> <b>VALLEY UTILITIES WATER CO., INC.</b>
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**BALANCE SHEET**

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 359,210	\$ 823,902
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	49,953	78,227
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	20,955	16,639
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	21,329	55,767
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 451,447</b>	<b>\$ 974,535</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 4,418,797	\$ 4,904,248
103	Property Held for Future Use	40,000	40,000
105	Construction Work in Progress	9,782	18,075
108	Accumulated Depreciation - Utility Plant	1,748,963	1,971,713
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 2,719,616</b>	<b>\$ 2,990,610</b>
	<b>TOTAL ASSETS</b>	<b>\$ 3,171,063</b>	<b>\$ 3,965,145</b>

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

<b>COMPANY NAME</b> <b>VALLEY UTILITIES WATER CO., INC.</b>
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**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 11,333	\$ 15,818
232	Notes Payable (Current Portion)	49,589	7,958
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	55,195	53,775
236	Accrued Taxes	23,411	21,559
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	4,619	5,421
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 144,147</b>	<b>\$ 104,531</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds		
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	3,211,274	3,726,938
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	494,098	865,157
272	Less: Amortization of Contributions	225,582	257,238
281	Accumulated Deferred Income Tax	33,210	30,689
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 3,513,000</b>	<b>\$ 4,365,546</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 3,657,147</b>	<b>\$ 4,470,077</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 110,000	\$ 110,000
211	Paid in Capital in Excess of Par Value	4,988	4,988
215	Retained Earnings	(601,072)	(619,920)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$ (486,084)</b>	<b>\$ (504,932)</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 3,171,063</b>	<b>\$ 3,965,145</b>

**COMPANY NAME****VALLEY UTILITIES WATER CO., INC.****COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 856,552	\$ 883,022
460	Unmetered Water Revenue		
474	Other Water Revenues	13,730	38,959
	<b>TOTAL REVENUES</b>	<b>\$ 870,282</b>	<b>\$ 921,981</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 258,070	\$ 274,462
610	Purchased Water		
615	Purchased Power	115,302	119,368
618	Chemicals	0	6,303
620	Repairs and Maintenance	34,021	11,178
621	Office Supplies and Expense	29,187	33,045
630	Outside Services	6,279	11,829
635	Water Testing	4,045	3,782
641	Rents	81,160	74,770
650	Transportation Expenses	33,259	26,726
657	Insurance - General Liability	11,909	19,343
659	Insurance - Health and Life	76,415	81,377
666	Regulatory Commission Expense - Rate Case	0	1,903
675	Miscellaneous Expense	34,663	40,497
403	Depreciation Expense	190,504	191,094
408	Taxes Other Than Income	20,589	21,844
408.11	Property Taxes	35,425	31,157
409	Income Tax	11,240	(587)
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 942,068</b>	<b>\$ 948,091</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 607	\$ 7,912
421	Non-Utility Income	234	0
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	1,764	1,423
	<b>TOTAL OTHER INCOME/EXP</b>	<b>\$ (923)</b>	<b>\$ 6,489</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (72,709)</b>	<b>\$ (19,621)</b>



<b>COMPANY NAME</b>	<b>VALLEY UTILITIES WATER CO., INC.</b>
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**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	<u>\$ 283,196</u>
Meter Deposits Refunded During the Test Year	<u>\$ 49,568</u>

**COMPANY NAME** Valley Utilities Water Company Inc.

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
#1 55-639720	25	75	650	12	3	1942
#2 55-639721	30	125	650	10	3	1969
#3 55-639723	25	125	425	8	4	1965
#4 55-639722	25	125	800	12	4	1970
#5 55-503273	60	300	850	20	6	1982
#6 55-580082	125	425	810	12	8	2001

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
See attachment A		12	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
See attachment A			

**COMPANY NAME** Valley Utilities Water Company, Inc.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	AC+PVC	10,000
5		
6	AC+DIP	55,840
8	AC+DIP	39,770
10	DIP	2,952
12	AC+DIP	5,925

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

**For the following three items, list the utility owned assets in each category.**

**TREATMENT EQUIPMENT:**

1 - 3" Tablet Chlorinator

3 - 50 gallon Liquid Chlorinator

**STRUCTURES:**

**OTHER:**

**COMPANY NAME:** Valley Utilities Water Company Inc.

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005**

<b>MONTH</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>GALLON PUMPED (Thousands)</b>
<b>JANUARY</b>	1246	14,424	7,806
<b>FEBRUARY</b>	1245	11,575	11,535
<b>MARCH</b>	1248	16,914	16,463
<b>APRIL</b>	1251	22,215	22,841
<b>MAY</b>	1252	31,712	25,160
<b>JUNE</b>	1251	38,319	33,830
<b>JULY</b>	1247	30,010	41,062
<b>AUGUST</b>	1248	30,117	30,013
<b>SEPTEMBER</b>	1242	25,444	26,920
<b>OCTOBER</b>	1254	30,327	31,446
<b>NOVEMBER</b>	1273	20,421	22,916
<b>DECEMBER</b>	1336	20,181	19,562
<b>TOTAL</b>		300,659	289,553

**Is the Water Utility located in an ADWR Active Management Area (AMA)?**

☒ Yes                      ☐ No

**Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?**

☒ Yes                      ☐ No

**If yes, provide the GPCPD amount:** 141

**What is the level of arsenic for each well on your system.see attach A mg/l**  
(If more than one well, please list each separately.)

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME VALLEY UTILITIES WATER CO., INC. YEAR ENDING 12/31/2005

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 32,398

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**RECEIVED**

APR 17 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**VERIFICATION**

**STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME)
<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>ROBERT L. PRINCE, PRESIDENT</b>
COMPANY NAME
<b>VALLEY UTILITIES WATER CO., INC.</b>

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

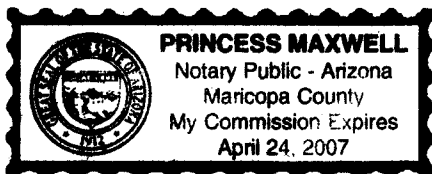
MONTH	DAY	YEAR
<b>12</b>	<b>31</b>	<b>2006</b>

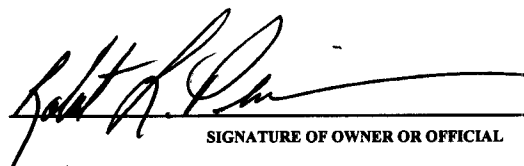
**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**



  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
**623-935-1100**  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

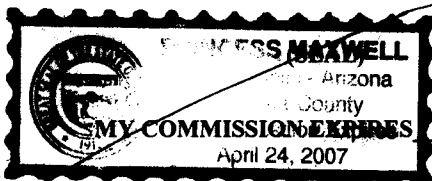
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

**13<sup>th</sup>**

**DAY OF**

COUNTY NAME	<b>Maricopa</b>	
MONTH	<b>April</b>	<b>2006</b>



**April 24 2007**  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME VALLEY UTILITIES WATER CO., INC. YEAR ENDING 12/31/2005

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>53,610</u>
Estimated or Actual State Tax Liability	<u>3,731</u>


Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
SIGNATURE

4-13-06  
\_\_\_\_\_  
DATE

Robert L. Piace  
\_\_\_\_\_  
PRINTED NAME

President  
\_\_\_\_\_  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**  
APR 17 2006  
AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**VERIFICATION  
STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME)
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NAME (OWNER OR OFFICIAL) TITLE
<b>ROBERT L. PRINCE, PRESIDENT</b>
COMPANY NAME
<b>VALLEY UTILITIES WATER CO., INC.</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2005

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

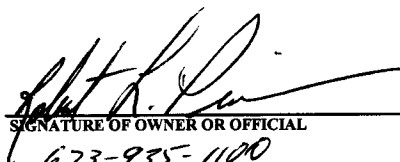
**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:**

Arizona Intrastate Gross Operating Revenues Only (\$)

**\$ 978,895**

**(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 56,914  
IN SALES TAXES BILLED, OR COLLECTED)**

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
623-935-1100  
\_\_\_\_\_  
TELEPHONE NUMBER

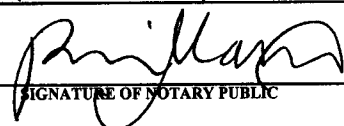
**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 13<sup>th</sup> **DAY OF**

COUNTY NAME	<u>Maricopa</u>	
MONTH	<u>April</u>	<u>2006</u>



April 24, 2007   
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**  
APR 17 2006  
AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

COUNTY OF (COUNTY NAME)	MARICOPA	
NAME (OWNER OR OFFICIAL)	ROBERT L. PRINCE	TITLE PRESIDENT
COMPANY NAME	VALLEY UTILITIES WATER CO., INC.	

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

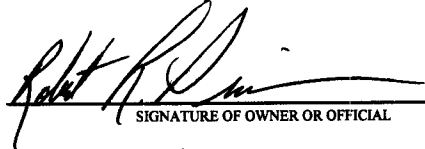
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 675,453

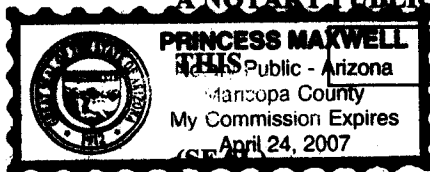
(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 39,272  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

  
SIGNATURE OF OWNER OR OFFICIAL  
623-935-1100  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**



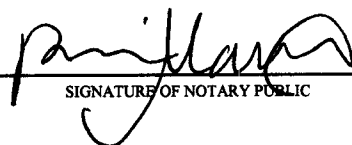
13<sup>th</sup> DAY OF

NOTARY PUBLIC NAME	Princess Maxwell	
COUNTY NAME	Maricopa	
MONTH	April	2006

**MY COMMISSION EXPIRES**

April 24, 2007

X

  
SIGNATURE OF NOTARY PUBLIC

# **ATTACHMENT A**

## **VALLEY UTILITIES WATER CO. INC. ANNUAL REPORT FOR YEAR 2005**

### **BOOSTER PUMPS:**

**4-15 HORSE POWER  
2-20 HORSE POWER  
6-40 HORSE POWER  
2-50 HORSE POWER**

### **STOREAGE TANKS:**

**3-100,000 GALLON CAPACITY  
1-200,000 GALLON CAPACITY  
1-560,000 GALLON CAPACITY**

### **PRESSURE VESSELS:**

**2-5,000 GALLON CAPACITY  
1-7,500 GALLON CAPACITY  
1-10,000 GALLON CAPACITY**

### **ARSENIC LEVELS BY WELL:**

**WELL #1-11.5ppb  
WELL #2-12.5ppb  
WELL #3-6.8ppb  
WELL #4-12ppb  
WELL #5-13ppb  
WELL #6-11ppb**